

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2007-245-E - ORDER NO. 2007-500

JULY 24, 2007

IN RE: Request of Progress Energy Carolinas, Inc.	)	ORDER
to Revise Area Lighting Service Schedule	)	APPROVING
ALS, Street Lighting Service Schedule SLS	)	CHANGES
and Street Lighting Service – Residential	)	
Subdivision Schedule SLR	)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the June 21, 2007 request of Progress Energy Carolinas, Inc (PEC or the Company) for approval of revision of its lighting schedules to restrict the availability of certain fixtures, clarify an accessibility requirement when installing outdoor lighting, change the availability of concrete posts to a non-standard offering, and clarify the application of Additional Facilities provisions to better describe current business practices. PEC states that these changes continue the Company's emphasis on promoting environmentally prudent and energy efficient lighting sources and seek to control the overall cost and safety of lighting installations. PEC submitted revised documents to reflect these proposed changes.

With regard to the proposed changes, PEC states that in the ALS, SLS, and SLR schedules, the 7,000 lumen, 21,000 lumen, and 60,000 lumen mercury vapor fixtures and the 12,000 lumen and 38,000 lumen retrofit sodium vapor fixtures that utilize a mercury vapor ballast will no longer be available to new installations. PEC notes that the Energy

Policy Act of 2005 requires, effective January 1, 2008, that mercury vapor ballasts not be manufactured or imported in the United States. Mercury vapor lamps will continue to be available for the foreseeable future, but these fixtures must inevitably be phased-out as existing ballasts and fixtures fail. Under the PEC proposal, at the time of a ballast or fixture failure, an equivalent style replacement fixture will be installed using a different light source at no charge other than a change in the monthly rate. Each tariff is revised to indicate that mercury vapor and retrofit sodium vapor fixtures will no longer be available for new or replacement installations, even in contiguous installations. The tariffs are also revised to designate a default replacement fixture of a similar style that will be installed upon failure of the ballast or fixture. In Schedule SLR, the mercury vapor fixture will be replaced with an equivalent style 9,500 lumen fixture at no additional monthly cost since this is the only option available under the schedule.

In both the ALS and SLS schedules, the “Service Extension” provision is revised to include the following sentence: “The installation of lighting fixtures or poles shall be in a location that is readily accessible by a Company truck to support installation and maintenance of Company facilities.” This requirement controls the overall cost of lighting installations and ensures that Company facilities can be properly and safely installed and maintained using standard practices and procedures. According to the Company, it is not necessary to insert this provision in Schedule SLR since these lights are always installed on a public roadway.

Further, in 2001, Schedules ALS and SLS were revised in Docket No. 2001-193-E, Order No. 2001-539 to make the availability of the 12-foot smooth concrete post, 16-

foot smooth concrete post and 13-foot fluted concrete post standard offerings. Prior to this time, these posts were available as a non-standard option under the Additional Facilities provisions of each schedule. This change was made to make their availability more readily apparent to customers reviewing our tariffs plus the post cost had been relatively stable, according to the Company. The rates were established in each tariff to approximately recover the cost of providing each post option. Since 2001, the material cost of the concrete posts has risen by 20% to 70% such that the Company no longer recovers its cost for new installations. PEC proposes to revise Schedules ALS and SLS to restrict these three (3) standard concrete posts to future applicants under the Additional Facilities plan.

Approval is requested for several changes to the Additional Facilities provision in schedules ALS and SLS to standardize the wording on each tariff and to better describe current business practices. This will aid customers in understanding, according to the Company, the Company's policies with regard to nonstandard facilities and better ensure uniform application of these policies to all customers. The requested changes to the Additional Facilities provision are described as follows:

a) In schedule SLS, paragraph 2 is revised to state that the customer may be charged 2% of the estimated installed cost of a distribution transformer. This language is identical to a similar statement in Schedule ALS and clarifies the Company's current practice of installing a special transformer under the Additional Facilities Plan when it is required solely to serve the customer's lighting requirement.

b) The first sentence in Paragraph 3 of Schedule ALS and Paragraph 4 of Schedule SLS is revised to insert the words “each conductor span” and now reads: “For an underground circuit, each conductor span in excess of 250 feet for an area (“street” in Schedule SLS) lighting pole, 2% of the estimated installed cost of the excess circuit.” This clarifies the Company’s policy of viewing each line extension to a fixture or pole individually rather than as a part of a larger project.

c) A new sentence is inserted in paragraph 5 in Schedule SLS and paragraph 4 in Schedule ALS to describe the provision of nonstandard fixtures under the Additional Facilities Plan. Although PEC has offered both Special Order and Custom Design nonstandard fixtures for several years, it has not been clear to customers how the rate applicable to nonstandard fixtures was established. The new sentence shall read as follows: “For nonstandard fixtures not included in the MONTHLY RATE provision above, the monthly charge will be the charge in accordance with the MONTHLY RATE for that fixture plus 2% of the difference between the estimated installed cost of the nonstandard fixture and the estimated installed cost of the equivalent standard fixture.”

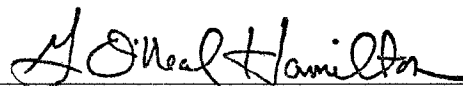
d) A new paragraph 5 is added to Schedule ALS as follows: “ For a bracket or mast arm in excess of the standard facilities for a given fixture type, 2% of the estimated installed cost of the required facilities in excess of that for standard facilities.” This provision is similar to one found in Schedule SLS and allows the customer to request the installation of a nonstandard bracket or mast arm under the Additional Facilities Plan.

S.C. Code Ann. Section 58-27-870 (F) (Supp. 2006) states in part that this Commission may allow rates or tariffs to be put into effect without notice and hearing

upon order of the commission when such rates or tariffs do not require a determination of the entire rate structure and overall rate of return. Clearly the changes in the tariffs before the Commission do not require a determination of the entire rate structure and overall rate of return. Accordingly, we will proceed to approve the changes in the tariffs without notice or hearing. It appears to us that the changes in the tariffs as filed will aid PEC's customers in understanding the Company's policies with regard to non-standard facilities and better ensure uniform application of these policies to all customers. The proposed changes are therefore approved as filed. The Company will file ten (10) copies of the approved tariffs with this Commission and ten (10) copies with the Office of Regulatory Staff within ten (10) days of receipt of this Order.

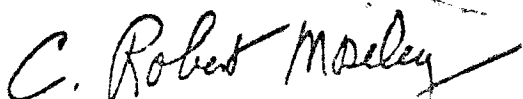
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman

(SEAL)